DOCUMENT RESUME

ED 440 296 CE 080 069

AUTHOR	Stein, David
TITLE	The New Meaning of Retirement. ERIC Digest No. 217.
INSTITUTION	ERIC Clearinghouse on Adult, Career, and Vocational Education, Columbus, OH.
SPONS AGENCY	Office of Educational Research and Improvement (ED), Washington, DC.
REPORT NO	EDO-CE-00-217
PUB DATE	2000-00-00
NOTE	4p.
CONTRACT	ED-99-CO-0013
AVAILABLE FROM	Center on Education and Training for Employment, 1900 Kenny Rd., Columbus, OH 43210. For full text: http://www.ericacve.org/fulltext.asp.
PUB TYPE	ERIC Publications (071) -- ERIC Digests in Full Text (073)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	*Adult Education; Education Work Relationship; *Educational Needs; Educational Research; Educational Trends; Employer Employee Relationship; *Futures (of Society); *Older Adults; Postsecondary Education; Research Needs; *Retirement; *Work Attitudes
IDENTIFIERS	ERIC Digests

ABSTRACT

The 21st century may become known as the era of lifelong learning and lifelong working. Retirement, the end stage of a linear working life, may be replaced with a learning, working, leisure, working, learning life cycle. Forced retirements and early retirement incentives have contributed to the decline of expertise in the workplace. Inflation, increasing health care costs, and inadequate pensions are propelling older adults to remain in or reenter the workforce past the traditional retirement age. Retirement as permanent separation from the workplace is being replaced with the idea of bridge employment. (Bridging is a form of partial retirement in which an older worker alternates periods of disengagement from the workplace with periods of temporary, part-time, occasional, or self-employed work; the key aspect of bridging is that it is work in other than a career job.) With declining birthrates and an anticipated shortage of new entrants to the workforce, early retirement will become an issue for organizations to explore. Organizations will need to assess the consequences to profits and productivity of encouraging talented and wise elders to exit the workforce. Organizations need to rethink allocating opportunities to older workers as well as changing the attitudes and expectations of managers and younger employees toward an increasing number of older workers. For the adult education sector, the older worker will be viewed as an active agent negotiating various roles within the workplace. An investigation of the meaning of work in the lives of older workers is fertile ground for adult education research and provision. (Contains 28 references.) (KC)

Reproductions supplied by EDRS are the best that can be made
from the original document.

ED 440 296

The New Meaning of Retirement
ERIC Digest No. 217

David Stein

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

ERIC Clearinghouse on Adult, Career, and Vocational Education
Center on Education and Training for Employment
College of Education
The Ohio State University
1900 Kenny Road
Columbus, OH 43210-1090

CE 080 069

BEST COPY AVAILABLE

ERIC Clearinghouse on Adult, Career, and Vocational Education

EDO-CE-00-217

by David Stein

ERIC DIGEST 2000

NO. 217

The New Meaning of Retirement

The 21st century may be known as the era of lifelong learning and lifelong working (Longworth 1999). Retirement, the end stage of a linear working life, may be replaced with a learning, working, leisure, working, learning life cycle. In a cyclical living and working model, participating in the work force never ceases but is interspersed with periods of leisure and learning. Full-time work may be interspersed with periods of flexible working arrangements such as part-time, seasonal, occasional, and project work (Brown 1998; Dychtwald 1990). The traditional notion of retirement may be replaced with lifelong working–in various positions and in varying amounts of time throughout adult life. In the future a declining birthrate may result in a shortage of skilled and knowledgeable employees (Dychtwald 1990), making the notion of retirement for older workers a serious drain on organizational productivity. Increasing demands for work force productivity, a projected shortage of skilled and experienced workers, and older adults who are healthier and living longer than previous generations are powerful societal forces shaping future employment practices (Imel 1996).

Two decades ago, Sheppard and Rix (1977) forecast the changing nature of the workplace and suggested that keeping older persons in the work force would make sound economic and social policy sense. Yet Ginzberg(1983) raised a most challenging question by asking to what extent is our society ready to make work for an increasing number of older adults who choose to remain in the workplace while also providing opportunities for young adults: if employment is not a possibility, then what is our obligation to provide adequate financial support? Morrison (1990) noted that social policies were needed to encourage and support employers retaining older workers. Today the fastest growing segment of the population is the older adult. Still, the decision to remain or leave the workplace is a function of organizational policy (Eastman 1993). This Digest examines this trend and looks at ways adult educators can create and sustain working environments supportive of the needs and capabilities of older workers.

New Patterns of Work for Older Adults

The trend toward longer periods of employment is beginning to become evident. Forced retirements and early retirement incentives have contributed to the decline of expertise in the workplace. Inflation, increasing health care costs, and inadequate pensions are propelling older adults to remain in or reenter the work force past the traditional retirement age (Doeringer 1990; Glied and Stabile 1999; Herz 1995). Stein, Rocco, and Goldenetz (2000) proposed a model that identifies older workers as remaining in, retiring from, or returning to the workplace. These patterns require employers to provide a variety of learning programs to accommodate these older workers. In this model, retirement as a permanent separation from work becomes just a temporary choice.

Retirement as permanent separation from the workplace is being replaced with the idea of *bridge* employment (Weckerle and Shultz 1999). Bridging is a form of partial retirement in which an older worker alternates periods of disengagement from the workplace with periods of temporary, part-time, occasional, or self-employed work. The key aspect of bridging is that it is work in other than a career job. A career job is a position occupied by a worker for a substantial portion of the working life in a single setting or with a single employer (Doeringer 1990). Among workers age 60, more than 50 percent retire from a career job but only one in nine actually disengages from the workplace (Ruhm 1990; Weckerle and Shultz 1999). Bridging allows older workers to "practice" retirement, to fill labor market shortages, or to try a variety of occupational positions after an initial period of retirement.

Bridging is sometimes described as a second career. The American Association of Retired Persons received 36,000 responses to a working life survey, covering 375 job titles from workers age 50 plus who had returned to the workplace after an initial period of retirement (Bird 1994). The three most frequently cited reasons for returning included having financial need, liking to work, and keeping busy. However, closer examination of the data revealed that "financial need" included money to help the children as well as to meet basic needs. "Liking to work" included feeling successful, enjoying the excitement of the workplace, and making a contribution. "Keeping busy" included working with a spouse, staying healthy, or fulfilling a social need. Reasons cited for remaining or returning to the workplace expressed the social meaning of work. Ginzberg (1983) proposed that work provides income, status, and personal achievement; structures time; and provides opportunities for interpersonal relationships. In the study by Stein, Rocco, and Goldenetz (2000), older workers remaining in or returning to the workplace mentioned not planning wisely, the need to contribute, appreciation from others, and the desire to create something as reasons for not retiring from the workplace. Work is more than earning a living. It is a way to live.

To some extent older workers remain in the workplace because they are healthier, cognitively able, and want to remain engaged. In a review of older worker studies, Rix (1990) concluded that many aging workers continue to work at peak efficiency and that there is usually much more variation within age groups than among age groups. Shea (1991) summarized the studies on older workers by pointing out that "age-related changes in physical ability, cognitive performance, and personality have little effect on workers' output except in the most physically demanding tasks" (p. 153). Farr, Tesluk, and Klein (1998) found that there is no consistent relationship between age and performance across settings. Among faculty in the sciences, age had a slight negative relationship to publishing productivity (Levin and Stephan 1989). Some studies have shown a stronger negative relationship between age and work performance for nonprofessional and low-level clerical jobs than for higher-level craft, service, and professional jobs (Avolio, Waldman, and McDaniel 1990; Waldman and Avolio 1993).

With declining birthrates and an anticipated shortage of new entrants to the work force, early retirement will become an issue for organizations to explore in more detail. Organizations will need to assess the consequences to profits and productivity of encouraging talented and wise elders to exit the work force. As a society we need to recognize all of the costs of supporting a nonworking population capable of productive work and living healthier and longer lives.

Organizations need to rethink allocating opportunities to older workers as well as changing the attitudes and expectations of managers and younger employees toward an increasing number of older workers (Greller and Stroh 1995; Hassell and Perrewe 1995; Paul and Townsend 1993). There is a growing interest among organizations to reengineer the work environment to account for physiological changes due to aging (Kupritz 2000) and to reorganize work schedules to account for seasonal or contingent labor pools composed of

BEST COPY AVAILABLE

older workers (Canter 1995). Few positions in our information society remain static and do not require some type of education. Education and job redesign are the means by which the older segment of the community can enter, reenter, and advance in the workplace.

Adult Education Implications

This inquiry suggests that older workers are situated in a dynamic pattern of periods of active employment, disengagement from the workplace, and reentry into the same or a new career. Older workers exhibit different work patterns at different stages. The workplace becomes a dynamic space for older workers rather than a unidirectional journey leading to retirement. An adult education perspective for the third stage of working life–beyond the traditional retirement age–will view the older worker as an active agent negotiating various roles within the workspace. The roles, depending on life circumstances, might include the decision to remain in, retire from, or return to periods of part-time, full-time, or part-season work. These work choice patterns will challenge adult educators to develop training, career development, and organizational development strategies appropriate to a third stage of working life (Jessup and Greenberg 1989).

An aging and changing work force may cause us to reexamine and revalue the meaning and necessity of work for older workers. An aging work force might influence workplace cultures and values in ways that change our notions of the meaning and necessity of work. A workplace that blends training opportunities, flexible employment patterns, and policies supportive of the life needs of an aging work force may become a workplace that embraces older workers as capable, productive, and knowledgeable lifelong workers. Older workers will need organizational and social supports to encourage the extension of the work life (Bailey and Hansson 1995).

An investigation of the meaning of work in the lives of older workers is fertile ground for adult educators. Adult educators might explore learning-teaching approaches that are more effective for providing career guidance to older adults making transitions to part-time work, returning from periods of retirement, or contemplating leaving the work force. Flexible schedules, job sharing, reduced loads, and seasonal employment may be redefined in the context of a changing and aging work force. Notions of full-time, part-time and career work–usually applied to workers aged 18-65–may need to be reexamined in light of employees working beyond the eighth decade of life.

Older workers represent a rich source of experience, accumulated knowledge, and wisdom. The quality and sensitivity of an institution's program for counseling, training, retraining, and preparing older workers for life and career transition might be the means by which organizations recruit and retain valued and productive workers.

References

Avolio, B. J.; Waldman, D. A.; and McDaniel, M. A. "Age and Work Performance in Nonmanagerial Jobs: The Effects of Experience and Occupational Type." *Academy of Management Journal* 32 (1990): 407-422.

Bailey, L., and Hansson, R. "Psychological Obstacles to Job or Career Change in Late Life." *Journal of Gerontology* 50 (1995): 280-293.

Bird, C. *Second Careers. New Ways to Work after 50*. Boston: Little, Brown and Company, 1994.

Brown, B. L. *Part-Time Work and Other Flexible Options. ERIC Digest No. 192*. Columbus, OH: ERIC Clearinghouse on Adult, Career, and Vocational Education, 1998. (ED 418 247)

Canter, S. "Recruiting, Training, Managing Older Workers: Case Studies." In *Textbook Authors' Conference Presentations*, pp. 85-89. Meeting of the American Association of Retired Persons, Washington, DC, October 27, 1995.

Doeringer, P. *Bridges to Retirement: Older Workers in a Changing Labor Market*. Ithaca, NY: ILR Press, 1990.

Dychtwald, K. *AGE WAVE*. New York: Bantam Books, 1990.

Eastman, L. J. "Retirement Revisited: Extending the Work-Life of Older Americans." *Human Resource Development Quarterly* 4, no. 4 (Winter 1993): 409-414.

Farr, J. L.; Tesluk, P. E.; and Klein, S. R. "Organizational Structure of the Workplace and the Older Worker." In *Impact of Work on Older Adults*, edited by K. W. Schaie and C. Schooler, pp. 143-185. New York: Springer, 1998.

Ginzberg, E. "Life without Work: Does It Make Sense?" In *Policy Issues in Work and Retirement*, edited by H. S. Parnes, pp. 29-38. Kalamazoo, MI: W. E. Upjohn Institute for Employment Research, 1983. (ED 232 024)

Glied, S., and Stabile, M. "Covering Older Americans: Forecast for the Next Decade." *Health Affairs* 18, no. 1 (January-February 1999): 208-213.

Greller, M. M., and Stroh, L. K. "Careers in Mid-life and Beyond: A Fallow Field in Need of Sustenance." *Journal of Vocational Behavior* 47, no. 3 (December 1995): 232-247. (EJ 514 362)

Hassell, B. L., and Perrewe, P. L. "An Examination of Beliefs about Older Workers: Do Stereotypes Still Exist?" *Journal of Organizational Behavior* 16, no. 5 (September 1995): 457-468.

Herz, D. "Work after Early Retirement: An Increasing Trend among Men." *Monthly Labor Review* 118, no. 4 (April 1995): 13-20. (EJ 502 533)

Imel, S. *Older Workers. Myths and Realities*. Columbus, OH: ERIC Clearinghouse on Adult, Career, and Vocational Education, 1996. (ED 392 894)

Jessup, D., and Greenberg, B.. "Innovative Older-Worker Programs." *Generations* 13, no. 3 (Summer 1989): 23-27. (EJ 393 204)

Kupritz, V. "Maximizing Opportunities for the Aging Workforce through Workplace Design." In *Academy of Human Resource Development 2000 Conference Proceedings, Raleigh-Durham, NC, March 8-12, 2000*, edited by K. P. Kuchinke, pp. 101-110. Baton Rouge, LA: Academy of Human Resource Development, 2000.

Levin, S. G., and Stephan, P. E. "Age and Research Productivity of Academic Scientists." *Research in Higher Education* 30, no. 5 (October 1989): 531-549. (EJ 404 056)

Longworth, N. *Making Lifelong Learning Work: Learning Cities for a Learning Century*. London, England: Kogan Page, 1999.

Morrison, M. "Early Retirement and the Middle-aged: Future Worklife Options in the United States." In *Rethinking Worklife Options for Older Persons*, edited by J. Habib and C. Nusberg. Washington, DC: International Federation on Ageing, 1990. (ED 341 803)

Paul, R., and Townsend, J. "Managing the Older Worker–Don't Just Rinse away the Gray." *Academy of Executive Management* 7 (1993): 67-74.

Rix, S. E. "Older Workers." In *Choices and Challenges: An Older Adult Reference Series*, edited by E. Vierck. Santa Barbara, CA: ABC-CLIO, Inc., 1990.

Ruhm, C. "Bridge Jobs and Partial Retirement." *Journal of Labor Economics* 8 (1990): 482-501.

Shea, G. F. *Managing Older Employees*. San Francisco: Jossey-Bass, 1991.

Sheppard, H., and Rix, S. *The Graying of Working America: The Coming Crisis in Retirement-Age Policy*. New York: Free Press, 1977.

Stein, D.; Rocco, T. S.; and Goldenetz, K. A. "Age and the University Workplace. A Case Study of Remaining, Retiring, or Returning Older Workers." *Human Resource Development Quarterly* 11, no. 1 (Spring 2000): 61-80.

Waldman, D. A., and Avolio, B. J. "Aging and Work Performance in Perspective: Contextual and Development Considerations." *Research in Personnel and Human Resource Management* 11 (1993): 133-162.

Weckerle, K. A., and Shultz, S. "Influences on Bridge Employment Decisions among Older USA Workers." *Journal of Occupational Psychology* 72, no. 3 (1999): 317-329.

This project has been funded at least in part with Federal funds from the U.S. Department of Education under Contract No. ED-99-CO-0013. The content of this publication does not necessarily reflect the views or policies of the U.S. Department of Education nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government. *Digests* may be freely reproduced and are available at <http://ericacve.org/fulltext.asp>.

Center on Education and Training for Employment

The Ohio State University
1900 Kenny Road
Columbus, Ohio 43210

BEST COPY AVAILABLE